## MICHIGAN AERONAUTICS COMMISSION

Minutes of Meeting Lansing, Michigan January 27, 2016

Pursuant to Section 31 of Act 327 of the Public Acts of 1945, the Commissioners of the Michigan Aeronautics Commission, created by said act, met at the Aeronautics Building, 2700 Port Lansing Road, Lansing, Michigan on Wednesday, January 27, 2016, commencing at the hour of approximately 10:00 a.m.

#### **Members Present**

Rick Fiddler, Chairman
Russ Kavalhuna, Vice Chairman
Roger Salo, Commissioner
J. David VanderVeen, Commissioner
Pete Kamarainen, Commissioner
Laura Mester, Designee – MDOT
BG Len Isabelle, Designee – MDMVA
Kevin Jacobs, Designee – MDNR
Dave Brickey, Legal Counsel
Mike Trout, Director

## **Members Absent**

Capt. Joe Gasper, Designee - MSP

## **Staff Present**

Carol Aldrich
Dave Baker
Neal Barncard
Matt Brinker
Kelly Crannell
Tera Fricke
Leanne Hengesbach
Chip Kraus
Pauline Misjak
Brigitte Pricco
Betsy Steudle
Mary Trierweiler
Hilary Vanderstow

#### Also Present

Bryan Budds, Aircraft Owners and Pilots Association John Feldvary, Jackson County - Reynolds Field Michael Frezell, MDOT, Office of Communications Rick Hammond Eric Jaroch, Roscommon County Airport Mark Johnson, Livingston Co.-Spencer J. Hardy Airport Kelly Jost, C&S Engineers, Inc. Ron Lebbon, QoE Consulting Barry Lind, Manistee County - Blacker Airport Cliff Maine, Barnes & Thornburg LLP Kent Maurer, Jackson County - Reynolds Field John Mayfield, Federal Aviation Administration Bob Nelesen, Prein&Newhof Marlon Peña, Federal Aviation Administration Fred Rakunas, Traverse City Karl Randall, Oakland County International Airport Sarah Underwood, C&S Engineers, Inc. Bob Whitford, Performance Roads LLC Scott Woody, Charlevoix Airport Advisory Committee



#### I. OPENING REMARKS

The January 27, 2016 Michigan Aeronautics Commission (Commission) Meeting was called to order by Chairman Rick Fiddler at 10:00 a.m.

Chairman Fiddler welcomed all those present. He asked everyone to rise, and the Pledge of Allegiance was cited.

Roll call was taken. Capt. Joe Gasper was absent.

#### II. COMMISSION BUSINESS

- A. Chairman Fiddler asked if there were any revisions to the minutes of the meeting held on November 12, 2015. There were none. He entertained a motion and support to approve the minutes. The motion was moved by Commissioner Roger Salo and supported by Commissioner Len Isabelle to approve the minutes as written. All voted in favor.
- B. Chairman Fiddler asked Dave Baker to present the airport sponsor contracts. Mr. Baker proceeded to explain each contract.
  - 1. Lenawee County Airport, Adrian
  - 2. Wexford County Airport, Cadillac
  - 3. Tuscola Area Airport, Caro
  - 4. Fitch H. Beach Municipal Airport, Charlotte
  - 5. Grosse Ile Municipal Airport, Detroit/Grosse Ile
  - 6. Grosse Ile Municipal Airport, Detroit/Grosse Ile
  - 7. Dowagiac Municipal Airport, Dowagiac
  - 8. Dowagiac Municipal Airport, Dowagiac
  - 9. Hillsdale Municipal Airport, Hillsdale
  - 10. Livingston County-Spencer J. Hardy, Howell
  - 11. Gogebic Iron County Airport, Ironwood
  - 12. Jackson County Reynolds Field, Jackson
  - 13. Mason County Airport, Ludington
  - 14. Schoolcraft County Airport, Manistique
  - 15. Mason Jewett Field, Mason
  - 16. Mason Jewett Field, Mason
  - 17. Monroe Custer Airport, Monroe
  - 18. Monroe Custer Airport, Monroe
  - 19. Mt. Pleasant Municipal Airport, Mt. Pleasant
  - 20. Oakland County International Airport, Pontiac
  - 21. Romeo State Airport, Romeo
  - 22. Saginaw County H. W. Browne Airport, Saginaw
  - 23. Statewide-Local MASP Update

## **Supplemental Transfer Requiring Action**

24. Oakland County International Airport, Pontiac



Chairman Fiddler asked if there were any further comments or questions. Hearing none, he entertained a motion and support to approve item Nos. 1-24. The motion was moved by Commissioner Kevin Jacobs and supported by Commissioner Isabelle to approve the airport sponsor contracts. All voted in favor.

Due to a potential conflict of interest, Commissioner David VanderVeen abstained from voting on item Nos. 20 and 24, Oakland County International Airport, Pontiac.

A complete list of the contracts can be viewed in full at <a href="www.michigan.gov/aero">www.michigan.gov/aero</a>. Under QuickLinks, select "Michigan Aeronautics Commission" and then "Contract Approvals."

Chairman Fiddler thanked Mr. Baker for his report.

## III. REPORTS

A. Chairman Fiddler asked Director Mike Trout to give his report.

Director Trout welcomed and wished everyone a happy new year. He recognized John Mayfield and Marlon Peña from the Federal Aviation Administration (FAA) Airport District Office; Bryan Budds from the Aircraft Owners and Pilots Association (AOPA); and Eric Jaroch, from the Michigan Association of Airport Executives.

He spoke about the six-bill package related to aviation funding, which was signed into law on December 23, 2015 (Public Acts 258, 259, 260, 261, 262, and 263 of 2015). The key aspects of the package are:

- Amends the Aeronautics Code, General Sales Tax Act, and Use Tax Act.
- > Redirects an amount from the State General Fund equal to 2 percent sales/use tax.
  - Approximately \$10-12 million
- > Creates the Qualified Airport Fund and directs 65 percent to the fund.
  - Approximately \$7-8 million
- ➤ Directs 35 percent to the State Aeronautics Fund.
  - Approximately \$3-4 million
- Maintains 3 cents excise tax per gallon with 1.5 cents rebate.
- Ensures compliance with FAA's Revenue Use Policy.

Director Trout talked about other legislation: SB 326 – Designates the B-24 Liberator as the official state airplane. HB 4032 – Regulates transportation network companies (i.e., Uber) and impacts airports' ability to control access and manage ground transportation on its property. HB 4244 – Amends the Natural Resources and Environmental Protection Act and eliminates liability for landowners for accidents that are a result of aviation activities. HB 4727 – Amends the Tall Structure Act to require meteorological evaluation towers be marked in accordance with federal standards. HB 5026 – Authorizes/regulates the use of unmanned aerial vehicles (UAVs), provides power and duties of certain state agencies, departments and local units of government, prohibits disclosure of information collected, and provides penalties and sanctions. HB 4857 – Bans sale or release of sky lanterns. SB 700 – Amends the Aeronautics Code to clarify existing language and adds a chapter to



restrict the operation of UAVs from flying over federal, state and local property, unless a law or ordinance allows for it. Also would set restrictions on flying over public property without permission of the property owner. SB 699 – Tie-barred to SB 700. Adds to Michigan Compiled Laws, Chapter 554 (Real and Personal Property) to clarify property owner rights. Limit access to first 300 feet of airspace over private property owned by an individual, partnership or corporation. Would ban UAVs from flying into this airspace without permission from the property owner.

On a national level, Director Trout stated that FAA's unmanned aerial system (UAS) registration process was in full force. An incentive of receiving a refund of the \$5 registration fee was implemented, if registered within the first 30 days. Over 300,000 UASs were registered within that time period. Information on UAS registration can be found at <a href="https://www.faa.gov/uas/registration/">www.faa.gov/uas/registration/</a>.

The Pilot's Bill of Rights 2 was passed by the Senate. The bill would impact medical provisions and liability issues. It is supported by the general aviation community.

In reference to FAA's Final Policy on Revenue Use, Director Trout stated that the Office of Aeronautics (Aero) followed up by sending a supplemental letter to FAA advising that subsequent to the State of Michigan's filing of the action plan in December, the Legislature passed and the Governor signed a six-bill aviation funding package into law implementing the revenue "offset" approach.

He spoke about the draft State Block Grant (SBG) Program Advisory Circular. FAA is receiving comments on the circular until February 5. Aero has submitted comments, but is also working with the National Association of State Aviation Officials (NASAO) to obtain comments from other SBG states to submit to FAA collectively.

Director Trout presented two financial slides explaining aviation funding and the Airport Capital Improvement Plan. The slides can be viewed in full at <a href="www.michigan.gov/aero">www.michigan.gov/aero</a>. Under QuickLinks, select "Michigan Aeronautics Commission" and then "Director's Reports."

The Five-Year Transportation Program, which includes Transit and Aviation, was approved by the State Transportation Commission. It will be submitted to the Legislature by March 1, and posted on MDOT's website at www.michigan.gov/mdot.

Director Trout recognized and congratulated the following employees for their years of state service:

- ➤ Betsy Steudle, Manager, Grants and Contracts Unit 15 years
- ➤ Randy Coller, Manager, Inspections and Compliance Unit 30 years
- ➤ Mark Grennell, Manager, Project Support Unit 30 years

Recognition and congratulations went to Michelle Duncan as the new aircraft registrar within the Programming Section, and Hilary Vanderstow as the new airspace analyst within the Planning and Development Section.



He also recognized and congratulated Mary Kay Trierweiler and Randy Coller who received a Simply Super Service Award for their excellent service in providing the 2015 Michigan Aeronautical Chart and Airport Directory.

Director Trout announced the retirement of Rick Hammond effective November 30, after 25 years of service. Mr. Hammond was the legislative and commission advisor within Aero. Rick Carlson will be retiring, after 30 years of service, effective February 1. Mr. Carlson is manager of the Transport and Safety Section. Congratulations to both!

# Coming soon will be the:

- Fiscal Year 2015 Michigan Aeronautics Commission Report
- ➤ Airport Conference February 17-18, East Lansing
- NASAO Washington Briefing February 24-26, Washington, D.C.
- ➤ MAC/STC Joint Meeting March 24, Lansing
- > Off-Site MAC Meeting May 25, Selfridge Air Nat'l. Guard Base, Mt. Clemens

Chairman Fiddler thanked Director Trout for his report.

B. Chairman Fiddler asked Commissioner Pete Kamarainen to give his report on the GA Committee.

Commissioner Kamarainen stated that the GA Committee met on December 16, 2015. The first order of business was to welcome newest member Rob Bunday, Program Manager at Western Michigan University. Mr. Bunday is replacing Captain David Powell on the GA Committee. Captain Powell retired.

The committee is examining the feasibility of opening another airport. The airport will be up in the eastern part of the Upper Peninsula on Neebish Island. The island has a need for emergency and cargo transportation and has an area of land owned by the Department of Natural Resources (DNR) that would be useful. Brad Frederick will be taking the lead on the project and working with DNR and other parties, as necessary.

STEM aerospace education was discussed. Bryan Budds informed the GA Committee about AOPA's 'You Can Fly' brand, which includes aviation clubs, flight training, as well as getting clubs and aerospace education in Michigan high schools and creating boosters to help finance programs.

Commissioner Kamarainen stated that Mr. Frederick was recognized by DNR's Northern Michigan Collaborative for his work with opening and establishing the airstrip on North Fox Island, resulting in DNR asking him to join their group. This will involve Mr. Frederick looking at DNR land and determining how to use that land for more recreational purposes with an emphasis on aviation.

The next GA Committee meeting will be February 17, 2016, at the Kellogg Center in conjunction with the Airport Conference.



Chairman Fiddler thanked Commissioner Kamarainen for his report.

C. Chairman Fiddler asked Vice Chairman Kavalhuna to give his report on the Commercial Air Service (CAS) Committee.

Vice Chairman Kavalhuna began his report by stating that the CAS Committee has been working on developing the Policy Plan for Michigan Air Service (PPMAS), drawing interest and inquiries from the field. Several airports have asked to meet and discuss the PPMAS during the upcoming Airport Conference. A discussion will take place at the conference during the roundtable sessions. The Airport Conference will be held on February 17-18, 2016, at the Kellogg Center in East Lansing.

Chairman Fiddler thanked Vice Chairman Kavalhuna for his report.

#### IV. PRESENTATION

A. Chairman Fiddler asked Mr. Cliff Maine to give his presentation on UAS legal issues.

Mr. Maine began by providing a quick background of himself. He stated that he has loved aviation ever since he can remember. He soloed on his 16<sup>th</sup> birthday in 1969, and has been practicing as an attorney and a certified public accountant since 1979. Other than being a summer intern at Amway, he cannot imagine a better job than what he has now at Barnes & Thornburg. He has been told by a number of people that he has an advantage being an aviation practitioner in that he was a pilot before he became an attorney. He tries to take a practical approach in looking at the evolution of UASs. If they have not impacted every citizen of the state, they will.

His update addresses how UASs have evolved and the issues involved. The presentation can be viewed in full at <a href="www.michigan.gov/aero">www.michigan.gov/aero</a>. Under QuickLinks, select "Michigan Aeronautics Commission" and then "Commission Presentations."

Chairman Fiddler thank Mr. Maine for his presentation.

## V. PUBLIC COMMENTS

Chairman Fiddler asked if anyone would like to make a public comment. There were no public comments.

#### VI. COMMISSION COMMENTS

Chairman Fiddler asked if any of the Commissioners would like to make a comment.

Chairman Fiddler thanked Rick Carlson and Rick Hammond for their state service and congratulated both on their retirement.



## **CLOSING**

The next meeting will be a joint meeting with the State Transportation Commission scheduled for Thursday March 24, 2016, at the Aeronautics Building in Lansing. The joint meeting will begin at 9:00 a.m., and the Michigan Aeronautics Commission meeting will begin at 10:00 a.m. or immediately following.

Chairman Fiddler adjourned the meeting at 11:00 a.m.

Rick Fiddler, Chairman

Michael G. Trout, Director

Dated: 3/24/2016

